

# ARIZONA STATE BOARD OF ACCOUNTANCY

## OPEN SESSION MINUTES

**October 6, 2008**

Members of the Arizona State Board of Accountancy held a meeting at 8:23 a.m. on Monday, October 6, 2008 at the Accountancy Board Office in Suite 165, 100 N. 15<sup>th</sup> Avenue, Phoenix, Arizona 85007. An Executive Session was held from 9:35 a.m. to 10:45 a.m.

### **BOARD MEMBERS:**

Patrick J. Ramirez .....	President
Debbi Fitzgerald, CPA .....	Treasurer
✕ Samuel L. Fogleman, CPA .....	Secretary
Marianne E. DeVries, CPA .....	Member
Gary W. Fleming, CPA .....	Member
Mark L. Landy, CPA .....	Member
James E. May .....	Member

✕ Absent

### **OTHERS PRESENT:**

Monica L. Petersen .....	Executive Director
Jim Dubé .....	Deputy Director
Daniel R. Christl, Esq. ....	Assistant Attorney General
Ryan P. Edmonson .....	Programs & Projects Specialist II
Yolanda M. Barajas .....	Administrative Assistant III
Elena N. Frausto .....	Administrative Assistant III
Jennie E. Barraza .....	Sr. Legal Assistant/Assistant Attorney General Office

The meeting was called to Order at 8:23 a.m. by Patrick J. Ramirez, President. The following Order of business was then considered:

**OPEN SESSION**

**CALL TO THE PUBLIC**

No one wished to address the Board.

**MINUTES**

**September 8, 2008 Board Meeting**

A motion was made by Debbi Fitzgerald, seconded by Gary W. Fleming and passed to approve the Open Session Minutes from the September 8, 2008 Board meeting.

**September 8, 2008 Board Meeting**

A motion was made by Debbi Fitzgerald, seconded by Gary W. Fleming and passed to approve the Executive Session Minutes from the September 8, 2008 Board meeting.

**DECLARATION OF CONFLICTS OF INTEREST**

Debbi Fitzgerald, CPA declared conflicts on consent agenda items 5-l Eric Hans Andersen; 5-n Michael Antonius Ruyter and file no. 2009.020

Gary W. Fleming, CPA declared conflicts on consent agenda item 5-m Henry & Horne LLP and file no.2009.005

Mark L. Landy, CPA declared conflicts on file nos. 2009.003 and 2008.034

**CONSENT AGENDA**

(The Board may pull any of the following items off the consent agenda to take individual action.) Board discussion and legal action on the following items:

Due to conflicts, Debbi Fitzgerald requested Eric Hans Andersen and Michael Antonius Ruyter to be pulled from the consent agenda and voted on separately.

Due to a conflict, Gary W. Fleming requested Henry & Horne LLP 953-L to be pulled from the consent agenda and voted on separately.

A motion was made by Gary W. Fleming, seconded by Debbi Fitzgerald and passed to accept the following consent agenda:

- a. Recommended for Registration of LLC/PLLC/LLP's for the following Applicants

(Meet the requirements of A.R.S. § 32-735):

NW Valley Tax & Financial Services LLC

Partner: Connie Stock May 5146-E

SLA Tax & Accounting PLC

Partner: Thomas L. Steele 14895-E

Lisa Replogle CPA PLLC

Partner: Lisa M. Replogle 11654-E

- b. Recommended for Registration of PC's for the following Applicants (Meet the requirements of A.R.S. § 32-734):
- |   |   |
|---|---|
| Gene Baker CPA PC<br>Partner: Gene Baker 3771-R | Kramer Public Accounting Group PC<br>Partner: Jeanette F. Kramer 5643-E |
|---|---|
- c. Recommended for Firm Name Change:
- |   |  |
|---|--|
| Hocker Company PLLC<br>Charles H. Hocker CPA PLLC 2832-L<br>Partner: Charles Henry Hocker 14411-R | TPG Tax & Accounting PC<br>The Professional Group PC 2450-C<br>Partner: Jodi Ehrlich 12203-E |
| SJ Reynolds CPA PLC<br>Reynolds CPA PLC 2939-L<br>Partner: Sharon J. Reynolds 13577-R             | TERCA, P.C.<br>N. Terryl Rogers & Company PC 308-C<br>Partner: N. Terryl Rogers 875-E        |
- Kennedy, Ehrler and Associates LLC  
Kennedy & Ehrler, CPA's 195-P  
Partner: Joseph G. Kennedy 2966-E  
Charles W. Ehrler 3709-E
- d. Request for Firm Cancellation – Do not wish to renew:  
Lloyd Financial Services PLLC 2361-L  
Partner: Patricia A. Lloyd 11358-E
- e. Recommended for Cancellation of Certificate per registrant's request not to renew:
- |   |   |
|---|---|
| Vincent Paul Colman 14017-R<br>Janet Matthies Rupert 5753-E<br>Melvin Hernandez 1241-E<br>Stephen John Brumm 2762-E | Christa M. Dunn 14350-R<br>Jennifer D. Gonzalez 11330-E<br>Stanley M. Drozdowski 8612-R<br>Ross Butler 6931-E |
|---|---|
- f. Recommended for Reissuance of Certificate because of Name Change:
- Amanda L. Gates (Perkins) 14165-E  
Monika Westin (Westin Jacobi) 11986-R  
Ellen A. Schwertfeger (K. Ellen Anthony) 8493-E  
Bobette Sylvester (Tomerlin) 10934-E  
Yelena Onken (Chedester) 13911-E
- g. Recommended for Reactivation of Certificate from Inactive Status – A.R.S. 32-730(E):
- |                          |                     |
|--------------------------|---------------------|
| Alpana J. Wegner 10988-E | Judy McLeran 6988-E |
|--------------------------|---------------------|
- h. Recommendation of the Certification Committee for approval of Certification by Examination - A.R.S. §32-721:
- |   |   |
|---|---|
| Michael Barnum<br>Kelly Jo Foster<br>Greg Gunn<br>Nickolas C. Jensen<br>Anne M. Ortiz | Theresa Elliot<br>Jamie L. Gallick<br>Brian Harrelson<br>Jeremiah Jolicoeur<br>Michael D. McKay |
|---|---|

Greg Robinson  
Seth C. Wilks  
Jeneé Van Egmond

Shayne R. Neuwirth  
Jesse Pape

- i. Recommendation of the Certification Committee for approval of Certification by Reciprocity - A.R.S. § 32-724:  
Jeffrey T. Geiss – Colorado
- j. Recommendation of the Certification Committee for approval of Certification by Reciprocity based on Substantial Equivalency - A.R.S. § 32-726(B):  
Yawen Huang – California  
Ernestine S. Mann – Indiana  
Rachel Naftali – Indiana  
Jonathan Allen Waterman - Ill  
William Lutz - Massachusetts  
Sarah L. Moscioni – Ohio  
Kevin Earl Snyder – California
- k. Recommendation of the Certification Committee for approval of Certification by Grade Transfer - A.R.S. § 32-721:  
Leo Lew – California  
Wayne P. Seller – California  
Donald J. Neri – Montana
- l. Recommendation of the Certification Committee for approval of Examination Candidates for the Uniform CPA Exam - A.R.S. § 32-723:  
Brenda Kay Brandt  
Sheri Ann Campbell  
Denise Marie Cross  
Daniel Diago  
Callie Lynn Dlugas  
Irasema G. Estrada  
Vaughn Andrea Euletta Francis  
Michelle L. Goeke  
Joseph Leonard Heidleburg  
Mika Kikuchi  
Kristen Marie Listiak  
Andrea Morris Miller  
Ryan C. Morris  
Mayra A. Ojeda  
Elizabeth Patricia Phillips  
Ning Bentley  
Linda Marie Broughton  
Gregory Eliot Cheshire  
Richard Anthony DeMark II  
Steven Michael Diaz  
Jenny Leigh Egan  
Patrick John Flynn  
Ronald Gahimbare  
Yvette Michelle Hatcher  
Carrie Wester Jarecki  
Karen E. Labos  
Eesha Mahesh Masrani  
Amanda Anastasia Miranda  
Karry Lynn Murphy  
Karin Anne Pastell

Ammi Elizabeth Rice

Stephanie Ann Smith

Jason Anthony Taylor

Joseph Vucic

Debra J. Quigley

Cody Wayne Schuster

R. Daniel Snopko

Maribel Velazquez

Allison Michelle Wathen

- m. Recommendation of the Peer Review Oversight Advisory Committee for approval of the following firms in compliance with A.A.C. R4-1-454:

Alexander & Devoley PC 4-C

Back, O. Darrell Ltd 20-C

Benjamin, D.M. CPA PC 34-C

Carmichael, T, PC 1176-C

Edwards, Largay, Mihaylo & Co PLC 2317-L

Fester & Chapman PC 344-C

Bartlett, J. Dennis CPA PC 725-C

Shackelford, Troy M, CPA Ltd 723-C

Preston & Company PC 834-C

Vella, Joseph CPA PC 2316-C

Valentine & Bond Ltd 481-C

Wong, Eddy CPA 5565-S

Keilholtz, Wayne CPA 4713-S

- n. Approval of Candidates who have passed the Uniform CPA Examination:

Tahir M. Alhassan

Robert Wade Bailey

Veronica Barraza

Ashley M. Beason

Jason Andrew Call

Patrick A. Cameron

Margaret Joanne Casper

Pablo Andres Cavazos

Stephanie Michelle Chance

Rebecca Ann Chitwood

Brytni R. Clutter

Katherine M. Craer

Preeti Dharmarajan

Prasad K. Dhulipalla

Kari Jean Dorinski

Kristi Nicole Downing

Roman Garrick Eskue

Jessamyn Donielle Gates

Katie M. Giesen

James Tyler Godfrey

Amy Kathleen Griffus

Thorsten Oliver Hain

Kelly June Hampton

Eric S. Hayes

Matthew Brian Hergenroether

Bethany Howell

Amy Shauwei Hwang

Allison Lynn Ihle

Jenifer L. Johnson

Rebecca Snelling Johnson

Keith C. Johnston

Gain Sann Jue

Sheila Khayami

Joo Hyun Kim

Alyson Paige Ledesky

Joseph D. Lipsitz

Richard Jay Littleton III

Jessica L. Loft

Octavio Loustaunau

Nicole Suzanne Luft

Timothy Cullen Lynch

Lindsey Makar

Jacob Edward McCracken

Robin K. McEntire

Michael Ronald Metzler  
Michelle Christine Myers  
Anoop Bhupendra Patel  
Jared Scott Perrine  
Justin Rigney  
Larry C. Rogers  
Jon A. Schade  
Cynthia Johanna Smith  
Kathryn Ann Spina  
Michael Alexander Stojak  
Kathryn Marie Thompson  
Matthew James Van Wallene  
Beth Marie Wahrendorf  
Benjamin Yale Weisenberg  
Tyler Jeffrey Woods  
Betsy Goldberg Zangara  
Xingli Zhang

Deborah Celeste Michalowski  
Benjamin Joseph Packard  
Paula Bresset Pejisa  
Ying Qi  
Luis M. Roa  
Steven Benedetto Russell  
Rachel Lynn Ryan  
Brandon Lee Seiter  
Mark Alan Smith  
John Paul Standring  
Rosalba Dominguez Sutherlin  
Blake Udall  
Matthew Alan Verbin  
Yanhong Wang  
Bonnie Lynn White  
Meagan Elaine Yannitelli  
Ting Zeng

**CONSENT AGENDA**

A motion was made by Debbi Fitzgerald, seconded by Marianne E. DeVries and passed to approve the following consent agenda item:

- m. Recommendation of the Peer Review Oversight Advisory Committee for approval of the following firms in compliance with A.A.C. R4-1-454:

Henry & Horne LLP 953-L

*Gary W. Fleming declared a conflict and did not vote.*

A motion was made by Marianne E. DeVries seconded Gary W. Fleming by and passed to approve the following consent agenda items:

- l. Recommendation of the Certification Committee for approval of Examination Candidates for the Uniform CPA Exam - A.R.S. § 32-723:

Eric Hans Andersen

- n. Approval of Candidates who have passed the Uniform CPA Examination:

Michael Antonius Ruyter

*Debbi Fitzgerald declared conflicts and did not vote.*

**EXECUTIVE DIRECTOR'S REPORT**

Monica L. Petersen, Executive Director, gave an update to the Board on the budget, Modernization Update, agency operations and NASBA update.

**EXECUTIVE SESSION**

A motion was made by Marianne E. DeVries, seconded by James E. May and passed to go into Executive Session at 9:35 a.m. to seek legal advice and review confidential material pursuant to A.R.S. § 38-431.03(A)(2)(3) and (4).

After consideration in Executive Session, the Board reconvened in Open Session at 10:45 a.m.

**COMMITTEE RECOMMENDATIONS – COMPLAINT/INITIAL ANALYSIS FILES**

File No. 2008.067

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to issue an Administrative Letter of Concern.

File No. 2008.070

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to accept the Accounting and Auditing Standards Committee's recommendation to close the complaint file, no violations of professional standards.

File No. 2008.077

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to accept the Accounting and Auditing Standards Committee's recommendation to close the complaint file, no violations of professional standards.

File No. 2008.091

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to accept the Accounting and Auditing Standards Committee's recommendation to open an investigation file.

File No. 2009.003

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to accept the Tax Practice Committee's recommendation to issue an Administrative Letter of Concern.

*Mark L. Landy declared a conflict and did not vote*

File No. 2009.004

File No. 2009.008

File No. 2009.010

File No. 2009.012

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to accept the Tax Practice Committee's recommendation to open investigation files and file Complaints and a Notice of Hearing for revocation.

**COMMITTEE RECOMMENDATIONS – INVESTIGATION FILES**

File No. 2008.034

A motion was made by James E. May, and seconded by Marianne E. DeVries and passed to offer a Decision and Order (By Consent) to include up to 12 months of probation; 8 hours of CPE in the areas of tax management. The 8 hours of CPE are to be in addition to the statutorily required CPE and all CPE is to be conducted in a classroom setting; and full reimbursement of the Board's investigation costs, as amended in executive session.

*Mark L. Landy declared a conflict and did not vote*

File No. 2008.056

A motion was made by James E. May, and seconded by Marianne E. DeVries and passed to offer a Decision and Order (By Consent) to include up to 12 months of probation; 8 hours of CPE in the areas of sales tax for contractors and 8 hours in practice management. The 16 hours of CPE are to be in addition to the statutorily required CPE and all CPE is to be conducted in a classroom setting; and full reimbursement of the Board's investigation costs, as amended in executive session.

**COMMITTEE RECOMMENDATIONS – PEER REVIEW**

File No. 2009.015

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to offer a Decision and Order (By Consent) to include the firm's completion of a peer review prior to its next renewal, as amended in executive session.

File No. 2009.016

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to accept the Peer Review Oversight Advisory Committee's recommendation to issue an Administrative Letter of Concern, as amended in executive session.

**NOTICES OF UNLAWFUL USE OF THE CPA DESIGNATION**

File No. 2009.022

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to direct the Assistant Attorney General to file an injunction in Superior Court for the unlawful use of the CPA designation.

**INITIAL ANALYSIS**

- a. No action taken.

**ITEMS FOR BOARD REVIEW, DISCUSSION AND LEGAL ACTION**

**Board to Review Compliance or Non-Compliance with Decision & Orders (By Consent)**

File No. 2007.107; Dusseau, Ken, PC

A motion was made by Marianne E. DeVries, seconded by Debbi Fitzgerald and passed to file a Complaint and Notice of Hearing for revocation for non-compliance with his current Decision and Order (By Consent).

File No. 2007.013; Buttrum, L. Z

A motion was made by Debbi Fitzgerald, seconded by Marianne E. DeVries and passed to terminate Decision and Order (By Consent) based on the dismal of debits from the bankruptcy court.

File No. 2007.098; Ulrich, Steven

No action taken.

**Termination of Decision & Orders (By Consent)**

File Nos. 2006.089 and 2007.074; Brewer, Stephan

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to terminate the Consent Order and close the file.

File No. 2008.020; Loncto, Frank

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to terminate the Consent Order and close the file.

File No. 2008.081; Talarico, Ray

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to terminate the Consent Order and close the file.

**Application for Certification by Examination/Grade Transfer, Deferral/Denial by Certification Committee - A.R.S. § 32-721**

Mark G. Kappelman

Marianne E. DeVries reviewed the file. A motion was made by James E. May, seconded by Marianne E. DeVries and passed to approve his application for certification by examination pursuant to A.R.S. § 32-721.

**Request for a CPE Waiver and/or Fee Waiver – A.R.S. § 32-730(C) & (D)**

Susan B. Davis 2137-E

Edward D. Richardson 965-E

Anne Elizabeth Cocoma 7422-E

Theresa L. Townsend 8667-R

J. Scott Mason 3721-E

Ann S. Thaker 8308-E

Richard G. Rockenbach 10886-E

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to grant their requests for CPE and Fee Waivers.

**Request for Inactive Status – A.R.S. § 32-730**

Richard Ralph Greer 400-R

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to grant his request for inactive status.

**Application for Reinstatement – A.R.S. § 32-748:**

John J. Kearney 3316-E

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to grant his application for reinstatement.

**Failure to Respond - A.R.S. § 32-741(A)(9) & (15):**

Millard Joseph Smith Jr. 5426-E

No action taken.

**Review, discussion and legal action regarding the information of a task force of Board members to guide the Law Review Committee in their review of the rules on independence**

A motion was made by James E. May, seconded by Gary W. Fleming and passed to form a Task Force Committee and nominate Marianne E. DeVries, Mark L. Landy and Samuel L. Fogleman to the Task Force Committee to guide the Law Review Committee regarding the rules on independence.

**SUMMARY OF CURRENT EVENTS**

None.

**DISCUSSION OF ITEMS TO BE PLACED ON FUTURE MEETING AGENDA**

Proposed language for non-compliance on Decision and Order (By Consent).

**ADJOURNMENT**

A motion was made by Gary W. Fleming, seconded by Marianne E. DeVries and passed to adjourn at 11:49 p.m.

**OPEN SESSION**

October 6, 2008

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Patrick J. Ramirez, Member, President

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Debbi Fitzgerald, CPA, Treasurer

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Marianne E. DeVries, CPA, Member

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Gary W. Fleming, CPA, Member

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Mark L. Landy, CPA, Member

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James E. May, Member